

LOUISIANA PUBLIC SERVICE COMMISSION
MINUTES FROM APRIL 16, 2015
OPEN SESSION

MINUTES OF APRIL 16, 2015 OPEN SESSION OF THE LOUISIANA PUBLIC SERVICE COMMISSION HELD IN BATON ROUGE, LOUISIANA. PRESENT WERE CHAIRMAN CLYDE HOLLOWAY, VICE CHAIRMAN SCOTT ANGELLE, COMMISSIONER FOSTER CAMPBELL, COMMISSIONER LAMBERT BOISSIERE, COMMISSIONER ERIC SKRMETTA AND EXECUTIVE SECRETARY EVE KAHAO GONZALEZ.

Open Session of April 16, 2015, convening at 9:26A.M., and adjourning at 12:25P.M., Natchez Room, 602 N. 5th Street, 1st Floor, Baton Rouge, Louisiana, with the above-named members of the Commission and Executive Secretary Eve Kahao Gonzalez.

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| Ex. 1 | <p>Announcements</p> <p>Commissioner Skrmetta announced that the October 28, 2015 B&E will be held in District I.</p> <p>Commissioner Campbell requested an item be added to the May B&E Agenda to discuss going back to 11 meetings per year.</p> <p>Commissioner Skrmetta addressed reports that the Commission has decided against the Entergy merger; he specifically wanted to set the record straight that all such reports are untrue. The Commission proceeding is still ongoing, research has not been concluded in the matter.</p> <p>Commissioner Skrmetta addressed certain press releases stating that utilities will benefit from the proceeds of the sweep suit; stating that this is not true, and that the Commission desires to see all proceeds returned to the ratepayers without the need for payment of attorney fees.</p> <p>Chairman Holloway released the following statement regarding the Commission's ongoing petition for declaratory judgment against the Louisiana State Legislature, and efforts to convert the Commission's action into a class action lawsuit:</p> <p style="padding-left: 40px;">I want to address the lawsuit we have with the Legislature. Because it is ongoing litigation and we will meet in executive session today, I will be cautious with my words.</p> <p style="padding-left: 40px;">In unity, this <i>entire</i> Commission agreed to pursue the course of declaratory judgment for the lawsuit because it is the most beneficial course for the ratepayers and Commission!</p> <p style="padding-left: 40px;">It is a total misstatement by anyone, a Commissioner or an attorney, to say or imply that if we do not support the class action lawsuit, we are road blocking money for ratepayers.</p> <p style="padding-left: 40px;">Every Commissioner knows the truth that there are numerous ways after winning the lawsuit that we as a Commission can retrieve and refund ratepayers excess monies, ways where trial attorneys are not taking money from them.</p> <p style="padding-left: 40px;">I may not be an attorney, but I have enough common sense to know and see this class action lawsuit path stinks.</p> <p style="padding-left: 40px;">What Commissioner would choose that method, a method where trial attorneys would take a huge chunk of the money, money that would go to ratepayers otherwise?</p> <p style="padding-left: 40px;">I hope my fellow Commissioners will not be bullied by a Commissioner or group of trial attorneys involved in the class action suit into making a decision that takes money from ratepayers and puts it in the pocket of trial attorneys.</p> <p>Chairman Holloway asked staff to look into the poor service being provided by WTSO and to determine what actions, if any, may be taken to address those issues.</p> |
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| Ex. 2 | <p>T-33538 - Louisiana Public Service Commission vs. Jeff Pentecost dba Jeff Pentecost Trucking,Jeff Pentecost Contractor (Harrisonburg, Louisiana). In re: Alleged violation of La. R.S. 45:161 through 180.1, by operating Intrastate without LPSC authority on one count; allegedly occurring on or about November 19, 2014.</p> <p>In re: Discussion and possible vote on guilty plea pursuant to Rule 57</p> <p>On motion of Chairman Holloway, seconded by Commissioner Skrmetta, and unanimously adopted, the Commission voted to assert its original and primary jurisdiction and take this matter up pursuant to Rule 57.</p> <p>On motion of Chairman Holloway, seconded by Commissioner Skrmetta, and unanimously adopted, the Commission voted to approve the Affidavit and Stipulation signed by the carrier.</p> |
| Ex. 3 | <p>U-32913 - Northeast Louisiana Power Cooperative, Inc., ex parte, Panola-Harrison Electric Cooperative, Inc., ex parte, Washington-St. Tammany Electric Cooperative, Inc., ex parte. In re: Notification pursuant to the LPSC's 2011 Net Metering Order (R-31417).</p> <p>In re: Discussion and possible vote on ALJ recommendation.</p> <p>PASSED</p> |
| Ex. 4 | <p>S-33367 - Lee Road Water Corporation, ex parte. In re: Request for a Letter of Non Opposition to refinance current USDA Loan with Citizens Bank and Trust Company.</p> <p>In re: Discussion and possible vote on Staff recommendation.</p> <p>On motion of Commissioner Skrmetta, seconded by Chairman Holloway, and unanimously adopted, the Commission voted to express its non-opposition to Lee Road’s request based on the following terms and conditions:</p> <ol style="list-style-type: none"> 1. Lee Road will file into the record of this proceeding, referencing Docket No. S-33367, a copy of all finalized loan documents signed by both Lee Road and Citizen’s Bank setting out all terms within 30 days of closing; 2. If the signed loan documents have not been filed within 90 days of the date of an Order in this proceeding, Lee Road must file an update of the status into the record on or before the conclusion of 90 days from the date of the Commission Order and the Commission reserves its right to rescind its letter of non-opposition if circumstances have substantially changed since the Commission’s non-opposition; 3. The Company agrees to maintain its records regarding the refinancing agreement for a period of not less than 5 years after the refinancing is completed and repaid “in full”; and 4. All costs related to this loan proposal are subject to review by the Commission in any future rate proceeding. |
| Ex. 5 | <p>U-29764 - Louisiana Public Service Commission, ex parte.. In re: Entergy Louisiana, LLC and Entergy Gulf States, Inc., retail proceeding to estimate and implement in retail rates in 2007 the rough equalization impact of FERC Opinions No. 480 and 480-A, FERC Docket EL 01-88-000, LPSC vs. Entergy Corp.</p> <p>In re: Entergy Services, Inc., Docket No. ER14-75 before the Federal Energy Regulatory Commission.</p> <p>In re: Possible executive session pursuant to La. R.S. 42:17 to discuss litigation and settlement strategy.</p> <p>On motion of Commissioner Campbell, seconded by Chairman Holloway, and unanimously adopted, the Commission voted to enter executive session.</p> <p>On motion of Chairman Holloway, seconded by Commissioner Skrmetta, with Commissioner Boissiere and Vice Chairman Angelle concurring and Commissioner Campbell temporarily absent, the Commission voted to exit executive session.</p> |

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| Ex. 6 | <p>1) Reports 2) Resolutions On motion of Commissioner Skrmetta, seconded by Commissioner Campbell, with Chairman Holloway and Vice Chairman Angelle concurring and Commissioner Boissiere temporarily absent, the Commission adopted a resolution to support House Bill 534 which will authorize the LPSC to issue franchise certificates and regulate cable and video service providers.</p> <p>3) Discussions 4) ERSC/OMS Business 5) Directives</p> |
| Ex. 7 | <p>S- 33232 - EMC Water System, Inc., ex parte. In re: Request for an increase in water rates (non-profit).</p> <p>In re: Discussion and Possible Vote on Staff Recommendation.</p> <p>At the request of Chairman Holloway.</p> <p>On motion of Chairman Holloway, seconded by Commissioner Skrmetta, and unanimously adopted, the Commission voted to increase metered water rates as follows:</p> <ol style="list-style-type: none"> 1. Residential, Commercial, Government 0 – 2,000 gallons increase from \$16.00 to \$19.00 and all additional \$5.00 to \$5.50. 2. The Audit Staff recommends an increase in EMC’s rates for water service in the total amount of \$41,923. The increase represents an overall increase in revenue of 13.62% over 2013 revenues. If the recommended rate increase is approved, the Company will earn a Net Operating Income in the amount of \$60,104. EMC will also yield a 25.74% Operating Margin. 3. The Company to use the NARUC Chart of Accounts for Class B Water companies. This can be purchased online at http://www.naruc.org/Store/ or by calling (202) 898-2200. 4. If the Commission approves any changes in rates, the Company be ordered to file in the record of this proceeding and copy the Commission’s Utilities Division, a new or revised tariff reflecting the Commission action, within thirty (30) days of the issuance of the Order. |
| Ex. 8 | <p>S-33475 - Atmos Energy Corporation, ex parte In re: Petition for Authority to disconnect two customers and Request Approval to Permanently Abandon its Natural Gas Distribution Facilities and Services to the Two Customers in Cheneyville, Rapides Parish, Louisiana.</p> <p>In re: Discussion and Possible Vote on Proposed Order</p> <p>At the request of Chairman Holloway.</p> <p>On motion of Chairman Holloway, seconded by Commissioner Skrmetta, and unanimously adopted, the Commission voted to accept the Staff Recommendation and approve Atmos’s petition to permanently abandon the natural gas distribution facilities affecting two residential customers in Rapides Parish, Louisiana, as described in the petition.</p> <p>Casey DeMoss, Alliance for Affordable Energy, urged the Commission to adopt public interest factors for future abandonments. Vice Chairman Angelle asked Staff to discuss the July 9, 2008 Abandonment Order with Ms. DeMoss to find out what, if any, changes she believes are warranted.</p> |
| Ex. 9 | <p>U-33592 - Occidental Chemical Corporation versus Entergy Louisiana, LLC.. In re: Entergy Louisiana, LLC's refusal to recognize Occidental Chemical Corporation's right, as a Qualified Facility under the Public Utility Regulatory Policies Act of 1978, to create a legally enforceable obligation.</p> <p>In re: Discussion and possible vote to hire Stone Pigman as outside counsel in this proceeding.</p> <p>At the request of Commissioner Skrmetta.</p> <p>On motion of Commissioner Campbell, seconded by Commissioner Boissiere, with Chairman Holloway and Vice Chairman Angelle concurring and Commissioner Skrmetta temporarily</p> |

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| | absent, the Commission voted to accept the budget proposal of Stone Pigman and retain them to assist Staff in the instant proceeding for fees not to exceed \$138,000 and expenses not to exceed \$9,500 through December 31, 2015. |
| Ex. 10 | <p>Louisiana Public Service Commission, et al. v. Louisiana State Legislature, Docket No. 592,231, Section 26, 19th Judicial District Court, Parish of East Baton Rouge, State of Louisiana.</p> <p>In re: Possible executive session pursuant to La. R.S. 42:17 to discuss litigation strategy.</p> <p>At the request of Chairman Holloway.</p> <p>On motion of Chairman Holloway, seconded by Commissioner Boissiere, with Commissioner Skrmetta and Vice Chairman Angelle concurring and Commissioner Campbell opposing, the Commission voted to enter executive session.</p> <p>On motion of Chairman Holloway, seconded by Commissioner Skrmetta, with Commissioner Boissiere and Vice Chairman Angelle concurring and Commissioner Campbell temporarily absent, the Commission voted to exit executive session.</p> <p>On motion of Commissioner Skrmetta, seconded by Chairman Holloway, with Commissioner Boissiere and Vice Chairman Angelle concurring and Commissioner Campbell temporarily absent, the Commission voted to take a matter up out of order.</p> <p>On motion of Commissioner Skrmetta, seconded by Chairman Holloway, with Commissioner Boissiere and Vice Chairman Angelle concurring and Commissioner Campbell temporarily absent, the Commission resolved to refund to ratepayers all over collected fees swept by the Legislature and returned as a result of the declaratory judgment action.</p> |

On motion of Commissioner Skrmetta, seconded by Chairman Holloway, with Commissioner Boissiere and Vice Chairman Angelle concurring and Commissioner Campbell temporarily absent, the Commission voted to adjourn.

MEETING ADJOURNED

The next Business and Executive Session will be held on Wednesday, May 13, 2015 at 9:00 a.m. in Baton Rouge, Louisiana.